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# IN THE BLACK

with John Beveridge



## Planting seeds in the carbon conscience

ONE of the most ambitious changes in the carbon package is the aim to cut emissions by 80 per cent by 2050.

To get even close to that number — assuming nuclear power remains taboo — is a task that is arguably impossible given current technologies.

Whether that target changes from rhetoric to action is debatable but there are bound to be some big winners in the alternative technology and carbon abatement space.

The listed abatement players with existing contracts and the ability to expand look like certain winners to me, because they can provide carbon credits to companies that need them at prices significantly cheaper than the starting price of \$23 a tonne of carbon dioxide.

Carbon Conscious chief executive Peter Balsarini said his company could gear up to plant around 25,000ha of cleared wheatfield land

with mallee eucalypts given its existing relationships with farmers and suppliers.

Carbon Conscious already has major carbon abatement contracts in place with oil company BP and energy giant Origin Energy, with the latter expandable under an options clause.

Peter said many companies that wound up their “carbon teams” before the legislative failure of the previous CPRS scheme were this time waiting until the carbon tax passed Parliament.

“These deals aren’t done overnight because trees are a 15-year investment but there is certainly some interest returning to the sector,” said Peter.

“It becomes a competitive situation, if one company can buy their abatement cheaper than \$23 a tonne they have reduced their costs.”

Both Carbon Conscious and CO<sub>2</sub> Group rallied strongly yesterday, so they are now both rated a **buy on future weakness**.

